

### Repeal:

WAC 230-13-067 Group 12—Electronic puzzle and pattern solving game standards.

# March 2016 – Further Discussion February 2016 – Up for Discussion and Filing

ITEM 8: March 2016 Commission Meeting Agenda.

Statutory Authority 9.46.070, 9.46.0201

Who proposed the rule changes?

Commissioner, see attached request.

Proposed Changes

# **Bold/Underline = Changes made after the February 2016 Commission Meeting**

In July 2015, the Commissioners authorized Group 12 amusement games to be played by persons 21 and over. Since this time, numerous questions and concerns have been raised. This proposed rule change provides the Commission with the option of repealing the rule authorizing Group 12 amusement games.

A Small Business Economic Impact Statement will be prepared and available on our website.

#### Attachment:

Letter from Representative Christopher Hurst, dated January 26, 2016, asking the Commission to consider rescinding the authorization of Group 12 amusement games.

## Licensee Impacts

- As of February 8, 2016, there were approximately 430 Group 12 amusement games in the state with about 280 in operation at licensed locations.
- Licensees have purchased or leased these amusement games from manufacturers. Licensees have indicated they will lose about \$9 million if Group 12 amusement games are no longer authorized. (This includes the actual cost outlay, license fees, research and development costs, and the value of the four-year rental contracts.) The amusement games could be resold to a jurisdiction where they are allowed.

### **Agency Impacts**

Staff will work with licensees to remove group 12 amusement games from the state.

Statements Supporting or Opposing the Proposed Rule Change

At the February meeting, 13 people testified. Twelve were in support of Group 12 amusement games and one was against. Of the twelve that were in favor of Group 12 games, four testified that the replay of prizes won (sometimes referred to as "credits") was important; four said gift cards as prizes was important, as this encourages patrons to stay at the business.

Staff	Recommend	lation
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Further discussion.

Proposed Effective Date for Rule Change

31 days from filing.

## **Repealed Section:**

## WAC 230-13-067 Group 12 Electronic puzzle and pattern solving game standards.

In Group 12 games, players must correctly solve a puzzle to win a prize, which is viewable by the player before each puzzle is presented.

- (1) The game must allow the player to view the prize that is available before each play of the game without the insertion of money or any other thing of value; and
- (2) Prizes are awarded based upon the player's skill in correctly discerning a pattern and completing that pattern; and
- (3) When a game presents a potential winning pattern, the puzzle must be capable of completion within the predetermined time period; and
- (4) Group 12 amusement games are for adults over the age of twenty-one only and may only be operated by licensees where persons under the age of twenty-one are prohibited from entering.

[Statutory Authority: RCW <u>9.46.070</u> and <u>9.46.0331</u>. WSR 15-15-063 (Order 713), § 230-13-067, filed 7/10/15, effective 8/10/15.]